



Department of State

TELEGRAM

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ACTION NEA-12

INFO OCT-01 EUR-25 ADP-00 IO-13 AGR-20 AID-20 CIAE-00

COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01 PC-15

DODE-00 PM-07 H-03 L-03 NSC-10 PA-03 PRS-01 SS-15

USIA-15 EA-11 INT-08 RSR-01 TAR-02 STR-08 HEW-08 /254 W

081601

R 290630Z AUG 73

FM AMEMBASSY KABUL

TO SECSTATE WASHDC 4874

INFO AMEMBASSY ISLAMABAD

AMEMBASSY LONDON

AMEMBASSY MOSCOW

AMEMBASSY TEHRAN

AMEMBASSY NEW DELHI

CINCPAC

DEPARTMENT OF STATE A GDC/ADR

DATE

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CINCPAC FOR POLAD

E.O. 11652: N/A

TAGS: PGOV, PDEV, PFOR, AF, PK, IR, UR, IN

SUBJ: PRESIDENT DAUD OUTLINES NEW GOVERNMENT POLICY

SUMMARY: IN INDEPENDENCE DAY RADIO SPEECH EVENING OF AUGUST 23, PRESIDENT DAUD OUTLINED BASIC POLICIES NEW GOVERNMENT INTENDS TO PURSUE APPROACH CALLS FOR A) FOREIGN POLICY OF NON-ALIGNMENT AND PEACEFUL RELATIONS WITH ALL COUNTRIES (ALTHOUGH PASHTUNISTAN PROBLEM WAS MENTIONED IN LOW KEY FASHION IN CONTRAST TO EARLIER PRONUNCIAMENTOS ON SUBJECT); B) STATE GUIDANCE AND CONTROL OF THE ECONOMY, CONCENTRATING ON AGRICULTURE, INDUSTRIALIZATION AND SCIENTIFIC PLANNING, BUT ALLOWING PRIVATE ENTERPRISE TO OPERATE IN MEDIUM AND SMALL SCALE INDUSTRIES; C) SOCIAL REFORM THROUGH

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IMPROVED WORKING CONDITIONS, ENACTMENT OF A LABOR LAW, SOCIAL INSURANCE, BETTER EDUCATION AND EQUAL OPPORTUNITY FOR WOMEN; AND D) A SYSTEM OF PRESIDENTIAL DEMOCRACY WITH DUE SEPARATION OF POWERS BASED ON TO BE WRITTEN CONSTITUTION, AND A REORGANIZED AND REVITALIZED ADMINISTRATION. SPEECH WAS GENERAL IN TERMS, EMPHASIZING EVILS OF PREVIOUS REGIME AND GREAT THINGS NEW GOVERNMENT PLANNING TO DO. HOWEVER, EMBASSY BELIEVES IT HIGHLY DOUBTFUL THAT GOVERNMENT WILL BE ABLE TO ACHIEVE MORE THAN EXTREMELY MODEST PORTION OF ITS SOCIAL AND ECONOMIC OBJECTIVES WITHOUT GREATLY STRENGTHENED POWER BASE AND DRASTIC OVERHAUL IN TRADITIONAL PATTERNS OF LEADERSHIP AND BEHAVIOR. ORIENTATION OF POLICY STATEMENT IS PREDOMINANTLY DOCTRINAIRE STATIST. AS EXPECTED, ARMY SINGLED OUT FOR PARTICULAR PRAISE. FULL TEXT BEING AIR POUCHED TO TEHRAN, ISLAMABAD, WASHINGTON. END SUMMARY..

1. IN RADIO ADDRESS EVENING OF AUGUST 23, DAUD SOUGHT TO LAY BLAME FOR ALL OF AFGHANISTAN'S MANY AND VARIOUS SOCIAL, ECONOMIC AND POLITICAL ILLS AND SHORTFALLINGS AT FEET OF NOW ABOLISHED MONARCHY. IN HIS VIEW CHRONIC ECONOMIC STAGNATION, POVERTY, CORRUPTION IN GOVERNMENT AND PARLIAMENT, DISCRIMINATION AGAINST POOR, PROFITEERING BY FOREIGN INTERESTS, ETC., SEEM TO HAVE BECOME PROBLEMS ONLY IN LAST TEN YEARS. (SINCE DAUD'S 1963 OUSTER BY KING.) WITH SUPPORT OF SELFLESS AND YOUNG AFGHAN ARMY NEW REPUBLICAN REGIME WILL NOW ATTEMPT TO REVITALIZE ECONOMY AND BRING SOCIAL JUSTICE. HE SPOKE OF DEEP AND WIDESPREAD OPPOSITION ON PART OF THE MASSES AND PARTICULARLY INTELIGENTSIA TO CORRUPT PRACTICES OF MONARCHY AS BEING BASIS OF COUP MOTIVATION AND SAW FOLLOWING AS BROAD OUTLINE. GOVERNMENT POLICY WILL FOLLOW:

2. FOREIGN POLICY: AFGHANISTAN WILL REMAIN LOYAL TO "FAIRLY CONCLUDED" INTERNATIONAL TREATIES (EMPHASIS ON "FAIRLY" PROVIDES RATIONALE FOR REOPENING HELMAND TREATY), AND PURSUE POLICY OF NON-ALIGNMENT AND PEACEFUL COEXISTENCE WITH NEIGHBORS AND RESPECT FOR UNITED NATIONS CHARTER. DAUD EMPHASIZED THAT "GOOD-NEIGHBORLY TIES" AND FRIENDSHIP WITH SOVIET UNION ARE "UNFALTERABLE" AND WISHED FOR FURTHER EXPANSION OF SINCERE RELATIONS AND FRIENDSHIP WITH PEOPLES REPUBLIC OF CHINA. HE HOPED FOR "FURTHER CONSOLIDATION" OF FRIENDLY TIES WITH IRANIAN "BROTHERS" AND REGRETTED THAT PAKISTAN WAS ONLY COUNTRY WITH WHICH AFGHANS HAD DIFFERENCE OF VIEWS. HE STATED THAT AFGHANISTAN, WITH "PATIENCE AND COMPLETE CALMNESS WILL SERIOUSLY ENDEAVOR TO FIND PEACEFUL AND HONORABLE SOLUTION FOR PASHTUNISTAN."

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3. ECONOMIC POLICY: STATING THAT "ECONOMY OF COUNTRY IS IN GREAT SHAMBLES AND COMPLETELY DISORGANIZED" (UNFORTUNATELY ALL TOO TRUE) DAUD CALLED FOR STATE OWNERSHIP AND EXPANSION OF HEAVY INDUSTRY, INCLUDING EXTRACTIVE MINING, METALS AND MACHINE BUILDING, CHEMICAL INDUSTRIES AND ELECTRIC POWER, ALL TO INSURE RAPID ECONOMIC GROWTH. IN LIGHT AND MEDIUM INDUSTRIES AND HANDICRAFTS, STATE WILL "ENCOURAGE, PROTECT, GUIDE AND CONTROL" PRIVATE ENTERPRISE AND INVESTMENT. TO ENSURE NECESSARY COOPERATION BETWEEN STATE AND PRIVATE OBJECTIVES. PROTECTIVE TARIFFS ARE CALLED FOR TO SUPPORT DOMESTIC INDUSTRY. FOREIGN TRADE WILL BE "GUIDED" TO CONTROL NON-ESSENTIAL IMPORTS AND "STRICT FOREIGN EXCHANGE CONTROLS" WILL BE ESTABLISHED. BANK SAVINGS WILL BE ENCOURAGED AND GOVERNMENT WILL SHIFT EMPHASIS ON REVENUE COLLECTION FROM INDIRECT TO DIRECT TAXATION. LAND REFORM AND COOPERATIVES, INCREASED HOUSING AND PUBLIC TRANSPORT ALSO CALLED FOR. "SCIENTIFIC PLANNING" WILL BE EMPLOYED BY GOVERNMENT TO AVOID WASTAGE AND INEFFICIENCY. SPECIAL THANKS ARE GIVEN TO SOVIET UNION, US, FEDERAL REPUBLIC OF GERMANY AND CHINA FOR THEIR DEVELOPMENT ASSISTANCE.

4. SOCIAL REFORM: CITING POVERTY AND MISERY OF MASSES, DAUD CALLED FOR STANDARD LIST OF SOCIAL REFORMS RANGING ALL THE WAY FROM IMPROVED WORKING CONDITIONS, A LABOR LAW AND MINIMUM WAGE, SOCIAL INSURANCE, FREE PRIMARY EDUCATION AND STATE HOSPITALS TO COMPLETE EMANCIPATION OF WOMEN AND CREATION OF A TELEVISION NETWORK.

5. POLITICAL SYSTEM: FIRST TASK OF NEW REGIME IS GIVEN AS CONSOLIDATING FOUNDATION OF REPUBLIC. CONSTITUTION WILL BE WRITTEN AND SUBMITTED TO LOYA JIRGA (GRAND NATIONAL ASSEMBLY) AND "COUNCIL OF THE REPUBLICAN STATE WILL BE RE-ELECTED" (THIS MAY BE REFERENCE TO CENTRAL COMMITTEE WHICH THUS PRESUMABLY WOULD BE EXPANDED AND TAKE PLACE OF PARLIAMENT). NOMADS WILL BE SETTLED AND "THE TRACES OF NOMADIC AND TRIBAL LIFE WILL BE ELIMINATED." GOVERNMENT WILL VIGOROUSLY COMBAT HASHISH, OPIUM AND ALCOHOL.

6. COMMENT: SPEECH IS FIRST MAJOR EXPOSITION OF GOVERNMENT VIEWS AND APPEARS TO REFLECT DIVERGENT OPINIONS OF THOSE MAKING UP RULING COALITION. TONE OF SPEECH IS DEMOGOGIC, EXHORTING POPULACE TO PLACE ALL FAITH IN WILLINGNESS AND ABILITY OF THE STATE TO CURE ALL ILLS. ORIENTATION OF GOVERNMENT WILL UNDOUBTEDLY BE HEAVILY STATIST AND AUTHORITARIAN WITH INCREASED EFFORTS TO

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CENTRALIZE POWER IN HANDS OF SMALL RULING GROUP, TO THE EXCLUSION OF AN INDEPENDENT PARLIAMENT, JUDICIARY AND PRESS. EMBASSY IS EXTREMELY DOUBTFUL OF GOVERNMENT'S ABILITY TO ACHIEVE EVEN A SMALL PART OF ITS GOALS UNLESS REGIME IS ABLE TO GREATLY STRENGTHEN AND CONSOLIDATE ITS POWER. EVEN THEN DRASTIC AND FUNDAMENTAL CHANGES IN ATTITUDE, CAPABILITY AND DETERMINATION ON PART OF WHOLE LEADERSHIP STRUCTURE, INCLUDING LOWER AND MIDDLE RANKING GOVERNMENT OFFICIALS, WILL BE NECESSARY TO SUCCESSFULLY IMPLEMENT TYPE OF MODERNIZATION AND DEVELOPMENT PROGRAM SPOKEN OF. HOWEVER, GIVEN AFGHANISTAN'S TRAGIC HISTORY IN DEVELOPMENT EFFORTS, EVEN MODEST AND HALTING PROGRESS SHOULD BE LOOKED ON AS MAJOR SUCCESS.

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